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RUEHLP/AMEMBASSY LA PAZ JAN MADRID 1770  
RUEHMN/AMEMBASSY MONTEVIDEO 6116  
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C O N F I D E N T I A L BUENOS AIRES 000126

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E.O. 12958: DECL: 01/24/2017  
TAGS: [PGOV](#) [PREL](#) [ASEC](#) [AR](#)  
SUBJECT: ARGENTINA: "ELATED" OVER HAGUE PULP MILL DECISION  
REF: BUENOS AIRES 00057

Classified By: Ambassador E. Anthony Wayne for Reasons 1.4(b) and (d).

11. (U) SUMMARY: The International Court of Justice in the Hague denied on January 23 Uruguay's request to force Argentina to stop blocking vital roads and bridges linking the neighboring countries, finding that the circumstances of the case "are not such as to require the exercise of its power." An "Elated" Argentine President Nestor Kirchner has declared the court's decision a victory for his country and called for a renewed dialogue with its "Uruguayan brothers." Kirchner also took advantage of the opportunity to criticize the press and National Congresswoman and presidential candidate Elisa Carrio for anticipating an Argentine loss in the court and for calling the government weak. The ICJ's ruling and the Mercosur decision this month to remain neutral on the issue support Kirchner's hands-off strategy for dealing with the protesters and do little to diffuse the cross-border conflict. END SUMMARY.

12. (U) The International Court of Justice in the Hague denied on January 23 Uruguay's December 2006 request to force Argentina to stop pulp mill protesters from blocking vital roads and bridges linking the neighboring countries. Uruguay had argued before the court that the protests were damaging its economy and costing the country hundreds of millions of dollars in lost trade and tourism. Argentina held that the protests were sporadic and had not affected the construction of the Metsa-Botnia pulp mill along the Uruguay river.

13. (U) Argentine President Nestor Kirchner has declared the court's decision a victory for his country and called for a renewed dialogue with its "Uruguayan brothers." According to press, Uruguay's Foreign Minister Reinaldo Gargano has said that Uruguay is open to a dialogue but will not negotiate until the protesters stop blocking the access roads and bridges into Uruguay.

14. (U) Kirchner also took advantage of the opportunity to criticize the press and National Congresswoman and presidential candidate Elisa Carrio for anticipating an Argentine loss in the court. During a speech on January 23, Kirchner read from several articles that cited the pessimism of members of his own government over the likely outcome in the ICJ, remarking acerbically, "I don't know who they consulted." Kirchner expressed solidarity with the city of Gualeguaychu, whose "paperlera" protesters have been periodically blocking roads and bridges to Uruguay for the past three years and recently threatened to interrupt ferry service between Buenos Aires and Uruguay.

15. (C) COMMENT: President Kirchner's obvious pleasure over the ICJ's decision reflects a more arrogant and victorious Argentine attitude towards the long-running paper mill dispute. This attitude has been buoyed by Mercosur's decision this month to stay out of the dispute and the decision of Spanish firm ENCE to consider a new location for the construction of its planned paper mill in Uruguay. The ICJ decision unfortunately strengthens Argentina's perception that its methods of protesting the plants are justified and effective. Argentine press had pinned hopes that Spain's mediation efforts could facilitate a solution favorable to Argentina, however Spain's "success" depends very much on the parties coming to a mutual agreement, i.e. Spain will not take sides on the issue and its principal role appears to be bringing the two parties together to talk. END COMMENT.  
WAYNE